

RESOLUTION NO. 111 2009

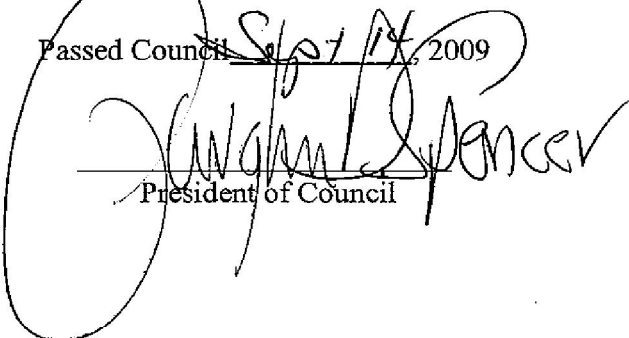
**A RESOLUTION AUTHORIZING THE MAYOR, ON BEHALF OF THE CITY OF READING, TO ENTER INTO AGREEMENT WITH READING BASEBALL LP WITH RESPECT TO CERTAIN CAPITAL IMPROVEMENTS TO THE STADIUM.**

**WHEREAS**, the City and Reading Baseball LP desire to set forth in writing certain terms of understandings related to payment for specific capital improvements to the Stadium; and

**WHEREAS**, the agreement between the City and Reading Baseball LP contained herein and attached as exhibit "A" sets forth the terms of these understandings.

**NOW THEREFORE BE IT RESOLVED**, Reading City Council hereby authorizes the Mayor, on behalf of the City of Reading, to authorize an agreement between the City of Reading and Reading Baseball LP, which shall set forth the terms of understandings related to payment for specific capital improvements to the stadium.

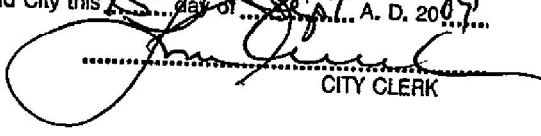
Passed Council Sept 14, 2009

  
President of Council

Attest:

  
City Clerk

I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original Resolution passed by the Council of the City of Reading, on the 14 day of Sept, A. D. 2009. Witness my hand and seal of the said City this 15 day of Sept, A. D. 2009.

  
CITY CLERK

## **AGREEMENT**

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, between the City of Reading, a third class city of the Commonwealth of Pennsylvania (the "City"), with its principal place of business at 815 Washington Street, Reading, PA 19601, and Reading Baseball LP, a Pennsylvania limited partnership ("Reading Baseball"), with its principal place of business at \_\_\_\_\_.

WHEREAS, the City and Reading Baseball are parties to a Lease Agreement for the Reading Municipal Memorial Stadium (the "Stadium") dated October 25, 1999, as amended (the "Lease"); and

WHEREAS, the City and Reading Baseball desire to set forth in writing certain terms of understanding with respect to specific capital improvements to the Stadium including, but not limited to, the payment thereof and any financing costs associated therewith.

NOW, THEREFORE, intending to be legally bound, and in consideration of mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Reading Baseball hereby agree as follows:

Section 1. IMPROVEMENTS. The City and Reading Baseball agree to make the following capital improvements to the Stadium (collectively, the "Capital Improvements"):

1. Re-sealing and repairing the Main Grandstand;
2. Replacing the existing field lighting system with new poles and fixtures;
3. Replacing the canopy at the third base picnic area;
4. Expanding and redesigning the home and visitors' clubhouses;
5. Converting the Snack Shack into a full-service kitchen;
6. Expanding the plaza into the existing parking lot and adding to it, among other things, additional concessions, restrooms and entry gates;
7. Improving and renovating the visitors' batting tunnel;
8. Providing padding for the outfield wall;
9. Purchasing laundry equipment and adding a secondary laundry room adjacent to the visitors' clubhouse;
10. Adding a 450 space parking lot on Cartech property;
11. Resurfacing all of the existing parking lots; and

12. Paving the 200 space grass parking lot behind leftfield.

Section 2. PAYMENT AND FINANCING OF CAPITAL IMPROVEMENTS. The City shall provide a capital contribution in the amount of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000) toward the costs of the Capital Improvements. In addition, the City shall use its best efforts to obtain a loan in the amount of Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000) (the "Loan"), the proceeds of which will be provided to Reading Baseball to pay a portion of the costs of the Capital Improvements. Reading Baseball shall be solely responsible for the repayment of the principal of and interest on the Loan; provided that Reading Baseball's annual debt service on the Loan shall not exceed Two Hundred Seventy Eight Thousand Dollars (\$278,000). Reading Baseball will be responsible for payment of any costs of the Capital Improvements in excess of the amount contributed by the City and will also be responsible for project bidding and monitoring.

The City shall make a good faith effort to assist Reading Baseball in obtaining RCAP funds from the Commonwealth of Pennsylvania (the "RCAP Grant"). Reading Baseball shall indemnify the City against any and all claims, costs and expenses, including attorneys' fees, brought against the City, which arise from this Agreement. The City and Reading Baseball agree to execute and deliver any and all documents (a) required by the financial institution to obtain and finalize the Loan and (b) required by the Commonwealth to obtain and finalize the RCAP Grant; subject to the review and comment of counsel to the City and Reading Baseball.

Section 3. PAYMENT OF FINANCING COSTS. Reading Baseball shall be solely liable for the timely payment of all costs incurred by the City to obtain the Loan and the RCAP Grant. All of the costs incurred by the City to obtain the RCAP Grant and for the issuance of the Loan shall be paid from the proceeds of the Loan.

Section 4. FAILURE TO RENEW LEASE. This Agreement shall run concurrently with the term of the Lease. In the event the Lease is not renewed, the City shall assume responsibility for the balance of payments of principal and interest on the Loan until such time as a new Lease is established.

Section 5. TITLES OF SECTIONS. The Section Titles used in this Agreement are for convenience and reference only, shall not constitute a part of the Agreement, and shall not affect the meaning, construction, or effect of this Agreement.

Section 6. DEFINITIONS. Unless otherwise set forth in this Agreement, all capitalized terms shall have the same meaning ascribed to them as in the Lease.

Section 7. INTERPRETATION. All other terms, covenants and conditions of the Lease shall remain unchanged and continue in full force and effect except as such terms, covenants and conditions have been modified by this Agreement, and this Agreement shall, by reference, constitute a part of the Lease.

Section 8. SUCCESSORS AND ASSIGNS. This Agreement and its terms and conditions herein contained shall inure to the benefit and be binding upon the City and its successors and assigns, and Reading Baseball and its successors and assigns.

Section 9. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 10. GOVERNING LAW. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania applicable to contracts made and performed within the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the City and Reading Baseball, intending to be legally bound, have hereunto executed this Agreement under seal as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CITY OF READING**

By: \_\_\_\_\_  
Thomas M. McMahon, Mayor

Attest: \_\_\_\_\_  
City Clerk

**READING BASEBALL LP**

By: \_\_\_\_\_  
Name:  
Title:

Attest: \_\_\_\_\_  
Name:  
Title: